

0-9252

Director of Central Intelligence

27 February 1950

Executive

Organization

1. In the so-called "Dulles Report", the organizational location of the Foreign Documents Division was questioned. During our hearing on the 1951 budget before Budget Bureau representatives this question was again raised, apparently as a result of a brief examination of our activities by a representative of that Bureau prior to the hearings. At that time an indication was given to the Budget Bureau that we planned to shift this activity during this fiscal year, probably to OCD. This indication was in line with your previous decision to add the Foreign Documents Division to OCD should the Contact Division be included in any amalgamation of USC and OPC which might result from NSC 50.

2. A study (Tab A) was initiated after the hearings with the following results:

a. The Assistant Director for Operations is opposed to any change and gives his reasons in Tab B. He recommends, however, that if any transfer is made, it be to ORE.

b. COAFS recommends transfer of the Foreign Documents Division to OCD if it is to be relocated. No comment is made by that Staff as to whether FDD should be transferred from OO (See Tab C).

c. The Management Staff, after a detailed comparison of similar functions, states that FDD would be more suitably placed in OCD from an organization function point of view than in any other CIA activity, its functions being more nearly akin to those of OCD. However, this study points out that there will not necessarily be any real benefit should transfer be made. (See Tab D).

d. OCD, quite properly, does not desire to make any recommendation. The Assistant Director stated verbally that a transfer of FDD to OCD would straighten out some liaison and operational conflicts which arise from time to time, but expressed no basic dissatisfaction with present arrangements.

e. As we have two production activities, OSI and ORE, both of which use the services of FDD, the transfer of this activity to either of those Offices would not be appropriate.

3. a. The Executive concurs in the Management finding that, from an organization function point of view, FDD would be more suitably placed in OCD.

b. It is felt, however, that we should consider very carefully whether any real benefit is to be gained before actually effecting such an organizational change, unless the Bureau of the Budget feels strongly enough about it to have some effect on either our good relations with that Bureau or on our appropriations.

c. It is the opinion of the Management Staff, in which the Executive concurs, that any benefit which might accrue from a transfer of FDD from OO to OCD would be relatively minor and not worthy of a major organizational change in CIA for this purpose only.

4. Recommend no change in present status of FDD unless:

a. Contact Division is included in any amalgamation of OSO and OPC which may occur in the future, or

b. The Bureau of the Budget makes a sufficient issue to warrant such a change from a "good relations" point of view. In this connection we will further discuss this problem with the Bureau representatives to insure that they won't feel that we have either disregarded their recommendation or forgotten the indication previously given to them that a change would be made.

Signature

Captain, USN

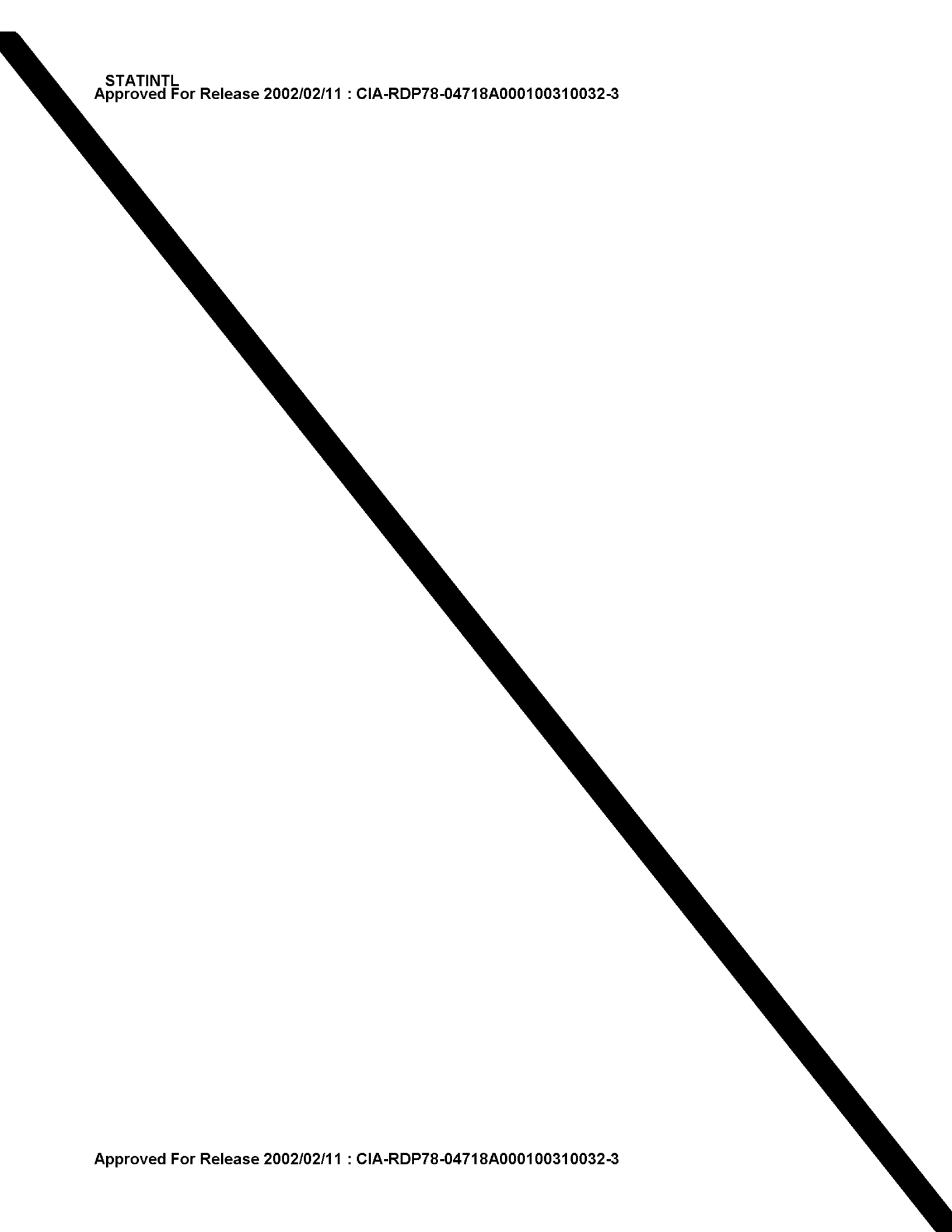
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4 Encls.

Longhand note on orig: Retain present status until and when new reorganization is directed or unless Budget insists. At that time transfer to OCD in principle - final decision to be made then.

R.H.H.

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Approved For Release 2002/02/11 : CIA-RDP78-04718A000100310032-3



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